



Verizon Communications
1300 I Street NW, Suite 400W
Washington, DC 20005

August 1, 2001

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St., S.W. – Portals
Washington, DC 20554

RE: Application by Verizon New York Inc. for Authorization To Provide In-Region,
InterLATA Services in State of Pennsylvania, Docket No. 01-138

Dear Ms. Salas:

In response to questions raised by the CCB staff, C. Odom, R. Ellis, K. McLean, L. Vial, C. Webster, and K. Zacharia of Verizon and K. Bluvlol and J. Wagner of Pricewaterhouse met today with R. Tanner, B. Olson, T. Hanbury and B. Koerner to discuss various issues in the above application. Documents used in this meeting are enclosed. Please let me know if you have any questions. The twenty-page limit does not apply as set forth in DA 01-1486.

Sincerely,

A handwritten signature in cursive script, appearing to read "Clint E. Odom".

Clint E. Odom

Enclosures

cc: R. Tanner
B. Koerner
T. Hanbury
B. Olson
S. Pie

**PricewaterhouseCoopers
Attest Procedures
Included in Verizon's
Pennsylvania Filing Dated
06/21/2001**

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers Attest Procedures

In order to report on Assertions 1-4, we selected and received a sample of BOS/BDT files (along with the related Paper Bill) with bill dates during the April 20 to May 13 test period. Our sample was designed to provide coverage across UNE Loop; UNE Platform; Resale; and Transport BOS/BDTs.

Assertion 1: Comparison of Summarization Points and Billing Elements

- At the 'Detailed' level of the BOS/BDT bill, we verified that the BOS/BDT contained the same or more detail than the Paper Bill for key billing elements listed in Attachment 1 Exhibit A of the PwC declaration through comparing a sample of billing elements on the Paper Bill to the BOS/BDT.
- At the 'Summarization' levels of the BOS/BDT, we verified that the BOS/BDT contained the same or more 'Summarization' points than the Paper Bill for those 'Summarization' points listed in Attachment 1 Exhibit A of the PwC declaration through comparing a sample of 'Summarization' points on the Paper Bill to the BOS/BDT.

Assertion 2: Comparison of Billing Values

- At the 'Detailed' level of the BOS/BDT bill, we matched a sample of key billing elements (listed in Attachment 1 Exhibit A of the PwC declaration) on the Paper bill to the BOS/BDT and verified that the dollar value was the same between the Paper Bill and the BDT.
- For each of the 'Summarization' points on the BOS/BDT (listed in Attachment 1 Exhibit A of the PwC declaration), we matched a sample of 'Summarization' point values on the Paper bill to the BOS/BDT and verified that the Paper Bill and the BDT contained the same dollar value.
- We documented the Manual Adjustment process which is used to make the total of the BOS/BDT equal to the total of the Paper Bill. Additionally, we tested the key controls throughout the Manual Adjustment process in order to ensure that they were operating effectively.

Assertion 3: Recalculation of Key Billing Elements

- We documented the key elements that are required for a third party to recalculate a Paper Bill from Verizon (see Attachment 1 Exhibit C of the PwC declaration).
- We reviewed the BOS/BDT to ensure all key elements required to validate a bill as detailed in Attachment 1 Exhibit C of the PwC Declaration were contained in the BOS/BDT through testing a sample of these billing elements to ensure they existed in the BOS/BDT.
- We recalculated a sample of values on the BOS/BDTs to ensure that the recalculation of the BOS/BDT bill can be performed by a CLEC.

Assertion 4: Internal Consistency

- Using Microsoft Access, we independently re-calculated the BOS/BDT bill to ensure the detail totaled to the summary levels.
- We manually re-performed the BOS/BDT balancing and compared the results to the Microsoft Access calculation results for one BOS/BDT of each Bill type; Resale, UNE-Loop, UNE-Platform, and Transport to ensure the Microsoft Access calculation was being performed accurately.

Assertion 5: Manual Adjustment Throughput

- We obtained from Verizon management a listing of all BOS/BDTs that went through the Manual Adjustment process and were sent to CLECs for the period June 1, 2001 through June 15, 2001.
- For each of these BOS/BDT files, we obtained a copy of the “BOS/BDT to Paper Reconciliation” Manual Adjustment spreadsheet to verify the BOS/BDT was processed.
- For each of these BOS/BDT files, we obtained documentation of the key processing control checkpoints and/or approvals for the BOS/BDT.
- For each of these BOS/BDT files, we obtained documentation that the BOS/BDT was sent to the CLEC.

**PricewaterhouseCoopers
Attest Procedures
Included in Verizon's
Ex Parte Filing Dated
07/03/2001**

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers Attest Procedures

In order to report on this Assertion, we selected and received a sample of BOS/BDT files (along with the related Paper Bill) with bill dates during the April 20 to May 13 (“first period”) and May 20 to June 13 (“second period”) test periods. Our sample was designed to provide coverage across UNE Loop; UNE Platform; and Resale BOS/BDTs.

Assertion: Reduction in the Level of Manual Adjustments

- We verified that the percentage of Manual Adjustment as a percentage of Current Charges was reduced from the first period to the second period.



Verizon - Pennsylvania Billing **Discussion with FCC**



Verizon provides two types of billing information to CLECs - DUF and Carrier Bills

■ DUF:

- CLECs receive usage data from Verizon via the Daily Usage File (DUF)
- CLECs combine the usage information with information from their own records/systems that reflect what they have sold their end users and at what price to render bills to their customers

■ During the PA state proceeding, some CLECs indicated they were missing usage on their DUF or were receiving another CLEC's usage. Verizon took the following corrective actions:

- March 2001: implemented service order edits on all "C" orders to ensure AECN match to usage directing FID. Identified accounts in embedded base where AECN did not match and retained usage for those instances
- May 2001: corrected embedded base and released re-circulated usage to CLECs (shows in May BI-1-02 metrics miss)
- June 2001: implemented service order edits on all "N" orders to ensure AECN match to usage directing FID

■ The PA Carrier-to-Carrier results for DUF timeliness and accuracy (BI-1-02, BI-4-01) show Verizon has performed well:

Carrier to Carrier Metric	January	February	March	April	May	June
BI-1 Timeliness of DUF Feed Standard: 95% in 4 business days	98.64%	99.46%	98.87%	98.84%	89.74%	97.33%
BI-4 DUF Accuracy Standard: 95%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%



Verizon provides two types of billing information to CLECs - DUF and Carrier Bills

- **Carrier Bills:** CLECs receive a monthly bill from Verizon for resale and/or UNE products and services that it purchases from Verizon
 - Verizon renders bills to CLECs in either Verizon end-user format (proprietary) or in BOS/BDT
 - Verizon provides end-user format bills on paper or CD-ROM and BOS/BDT bill on either magnetic tape or via file transmission (Connect:Direct aka NDM)

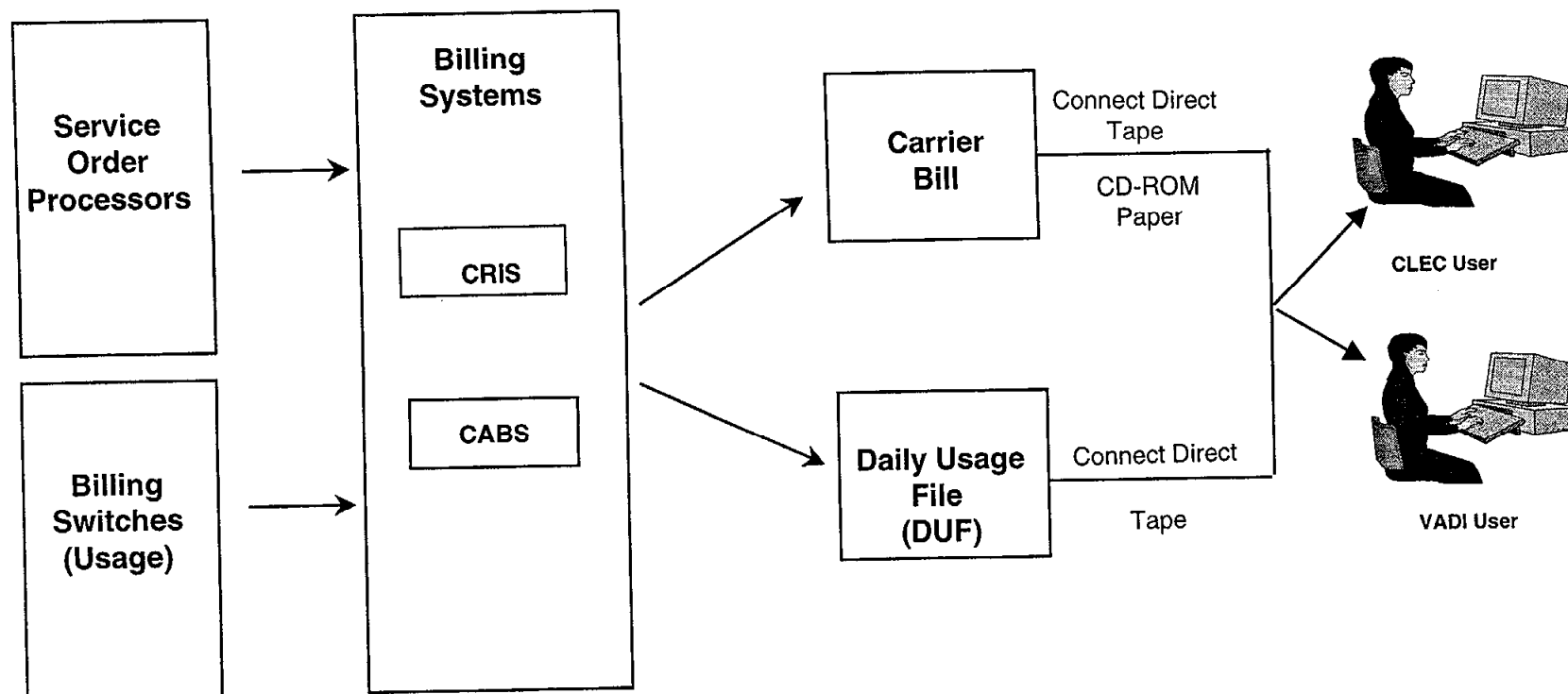
- KPMG reviewed the Verizon end-user format bill on paper; this was the official bill of record in PA, used for payments and disputes
 - KPMG issued 68 Observations/ Exceptions related to Billing during the OSS test
 - Verizon responded to all observations and exceptions
 - When fixes were implemented, they benefited all CLECs, not only KPMG
 - KPMG retested and was satisfied on all test points

- BOS/BDT provides CLECs with an industry standard format via an electronic media
 - Telcordia's Technical Review Group defines the guidelines
 - Two versions are implemented by the industry each year (spring and fall)
 - CLECs use the industry guidelines combined with Verizon's technical documentation to implement software to read the BOS/BDT

Verizon provides two types of billing information to CLECs - DUF and Carrier Bills



Billing Process Flow

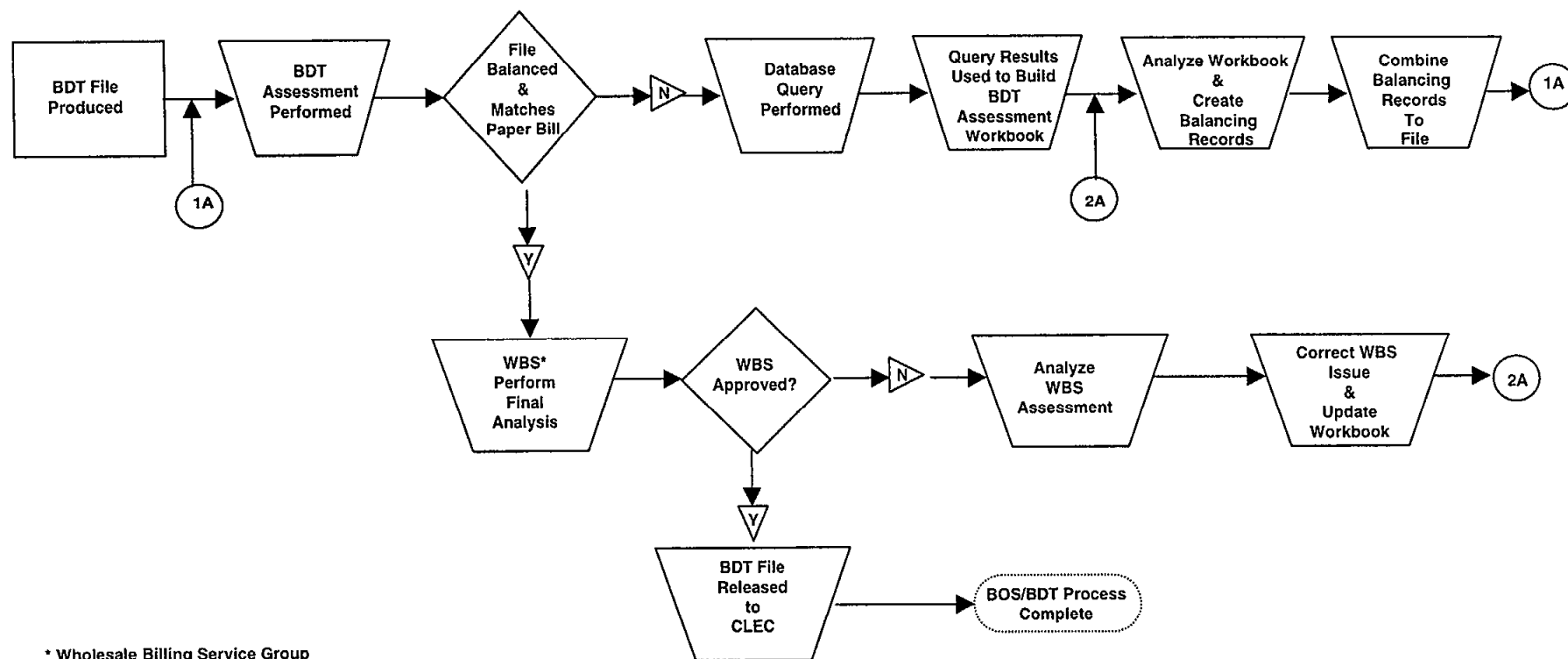


Recent Experience with BOS/BDT in Pennsylvania

- Of the over 100 CLECs operating in PA, approximately 30 have subscribed to BOS/BDT
- Since introduction of BOS/BDT in Pennsylvania in January 2000, Verizon has been tracking BOS/BDT issues and applying system fixes as they are identified
 - In April 2001, Verizon distributed a list of 66 issues identified by CLECs and Verizon
 - Items were added between April and June resulting in a total of 81 issues identified
 - Update to the issues list was distributed to CLECs in June 2001 (Attachment 28 to OSS Declaration)
 - These included requests for retransmissions, questions, and software issues
- Fixes in April, May and June have substantially improved the BOS/BDT
 - At the time of the filing, there were only 3 outstanding issues from the list of 81, none of which was quantitative in nature
 - The remaining 3 have been closed
 - request for retransmission - completed on 6/21
 - incorrect bus/res indicator - fixed 7/23
 - phrase code and recurring/non-recurring indicator mis-match - fixed 7/23
- As of May 22, CLECs can elect BOS/BDT as their bill of record
 - Verizon notified CLECs through Change Management that they could elect to receive BOS/BDT plus a summary paper bill, a paper bill, or both with no additional charge for the second medium during the transition period (Attachment 29 to OSS Declaration)
 - In addition, CLECs can elect BOS/BDT as the "bill of record"
 - 5 CLECs have elected to treat BOS/BDT as the bill of record for at least one account

The Verizon BOS/BDT Manual Review and Adjustment Process - 1

- In April, Verizon implemented a manual review and adjustment process to ensure the BOS/BDT balances internally and matches the paper bill



* Wholesale Billing Service Group



The Verizon BOS/BDT Manual Review and Adjustment Process - 2

- Sample Bill Balancing Report used to verify internal consistency of sub-totals to totals within the BOS/BDT

Bill Balancing Report
Bill Type: UNE-Loop
Customer Name: AnyCompany
Master BAN: 123456789
ACNA: ABCD

Bill Balancing Rules		Balance per PwC Tool		Amount	Comment
X	Y	X	Y	Variance	
Level 0 to Level 1					
Total Charges BAN 10-05-13 (Total Amount due)	= Totals from Current and Past Charges	\$662,012.34	= \$662,012.34	\$0.00	
	+Total Current Charges (10-05-13)		= \$341,966.14		
	+Past Balance Due (10-05-10)		= \$320,046.20		
Level 1 to Level 2					
Total Current Charges (10-05-13)	= Total Current Charges from:	\$341,966.14	= \$341,966.14	\$0.00	
	+Monthly Recurring Charges (10-05-12)		= \$319,211.60		
	+Total Other Charges & Credits (10-05-13)		= \$18,721.85		
	+Total Usage Charges (10-05-13)		= \$0.00		
	+Total Taxes (10-05-13)		= \$24.64		
	+Total Surcharges (10-05-13)		= \$7.47		
	+Late Payment Charges (10-05-13)		= \$4,000.58		
Past Balance Due (10-05-10)	= Past Balance Due	\$320,046.20	= \$320,046.20	\$0.00	
	+Total Payments Applied (10-05-10)		= -\$263,083.64		
	+Total Adjustments (10-05-10)		= \$0.00		
	+Total Amount of last bill (10-05-10)		= \$583,129.84		
Level 2 to Level 3					
Monthly Recurring Charges (10-05-12)	= Total Monthly Recurring Charges (40-15-35)	\$319,211.60	= \$319,211.60	\$0.00	
Total Other Charges & Credits (10-05-13)	= Total Other Charges & Credits (10-30-90)	\$18,721.85	= \$18,721.85	\$0.00	
Total Usage Charges (10-05-13)	= Total Summary of Unbundled Usage (10-41-15)	\$0.00	= \$0.00	\$0.00	
Total Taxes (10-05-13)	= Total Taxes (10-50-90)	\$24.64	= \$24.64	\$0.00	
Total Surcharges (10-05-13)	= Total Surcharges (10-55-90)	\$7.47	= \$7.47	\$0.00	
Total Payments Applied (10-05-10)	= Total Payments Applied (10-15-90)	-\$263,083.64	= -\$263,083.64	\$0.00	
Total Adjustments (10-05-10)	= Total Adjustments (10-20-90)	\$0.00	= \$0.00	\$0.00	
Level 3 to Level 4					
Total Monthly Recurring Charges (40-15-35)	= Monthly Recurring Charge Detail Totals per Component (40-15-25)	\$319,211.60	= \$319,211.60	\$0.00	
Total Monthly Recurring Charges (40-15-35)	= Detail of Circuit Listing Total (10-60-90)	\$319,211.60	= \$319,211.60	\$0.00	
Total Other Charges & Credits (10-30-90)	= OCC Detail Totals per Component (10-30-25)	\$18,721.85	= \$18,721.85	\$0.00	
Total Summary of Unbundled Usage (10-41-15)	= Total Unbundled usage for office (10-39-90)	\$0.00	= \$0.00	\$0.00	
Total Taxes (10-50-90)	= Detail of Total Taxes per Component (10-50-05)	\$24.64	= \$24.64	\$0.00	
Total Surcharges (10-55-90)	= Detail of Total Surcharges per Component (10-55-05)	\$7.47	= \$7.47	\$0.00	
Total Payments Applied (10-15-90)	= Total Payments Applied (10-15-05)	-\$263,083.64	= -\$263,083.64	\$0.00	
Total Adjustments (10-20-90)	= Total Adjustments (10-20-05)	\$0.00	= \$0.00	\$0.00	
Level 4 to Level 5					
Monthly Recurring Charge Detail Totals (40-15-25)	= Monthly Recurring Charge Details Total	\$319,211.60	= \$319,136.60	\$75.00	
	+Monthly Recurring Charge Details (40-15-20)		= \$319,136.60		
	+Monthly Recurring Mileage Charge Details (40-15-21)		= \$0.00		
OCC Detail Totals (10-30-25)	= Total OCC Charges from	\$18,721.85	= \$18,721.85	\$0.00	
	+OCC Details (10-30-15)		= \$9,014.19		
	+OCC Details (10-30-20)		= \$9,707.66		
Total Unbundled usage for office (10-39-90)	= Total of Detail Unbundled Usage charges	\$0.00	= \$0.00	\$0.00	
	+Unbundled end office Usage Detail (10-39-10)		= \$0.00		
	+Unbundled Carrier Common Line Usage Detail (10-39-15)		= \$0.00		
	+Unbundled Miscellaneous Usage Detail (10-39-20)		= \$0.00		
	+Unbundled Transport Usage Detail (10-39-05)		= \$0.00		
Detail of Circuit Listing Total (10-60-90-00)	= Detail of Circuit Listing (10-60-05)	\$319,211.60	= \$319,136.60	\$75.00	

The Verizon BOS/BDT Manual Review and Adjustment Process - 3

- System fixes effective May 19 - 25 have reduced manual adjustment amounts by 50% between the first and second review periods.

31 CLECs	April 20 - May 13	May 20 - June 13
Current Charges	\$ 9,135,161.32	\$ 9,322,547.29
Manual Adjustments*	\$ 161,243.76	\$ 82,907.20
% adj/charges	1.77%	0.89%

* sum of absolute value of adjustments

- Manual adjustments were less than 1% of total charges billed for the second review period
- Verizon is current with the adjustment process and is capable of handling the volume of BDTs to be processed each month

	Observed June 1 - June 15	Monthly Capacity	Monthly Actual
BOS/BDT Transmitted	84	168	110

CLEC Claims and Adjustment Process for Billing Disputes

- In the event that a CLEC believes its bill contains incorrect charges, Verizon has established a procedure for CLEC claims
 - see CLEC Handbook Volume III, Section 10.4 Claims and Adjustments also
 - http://128.11.40.241/east/wholesale/customer_docs/master.htm

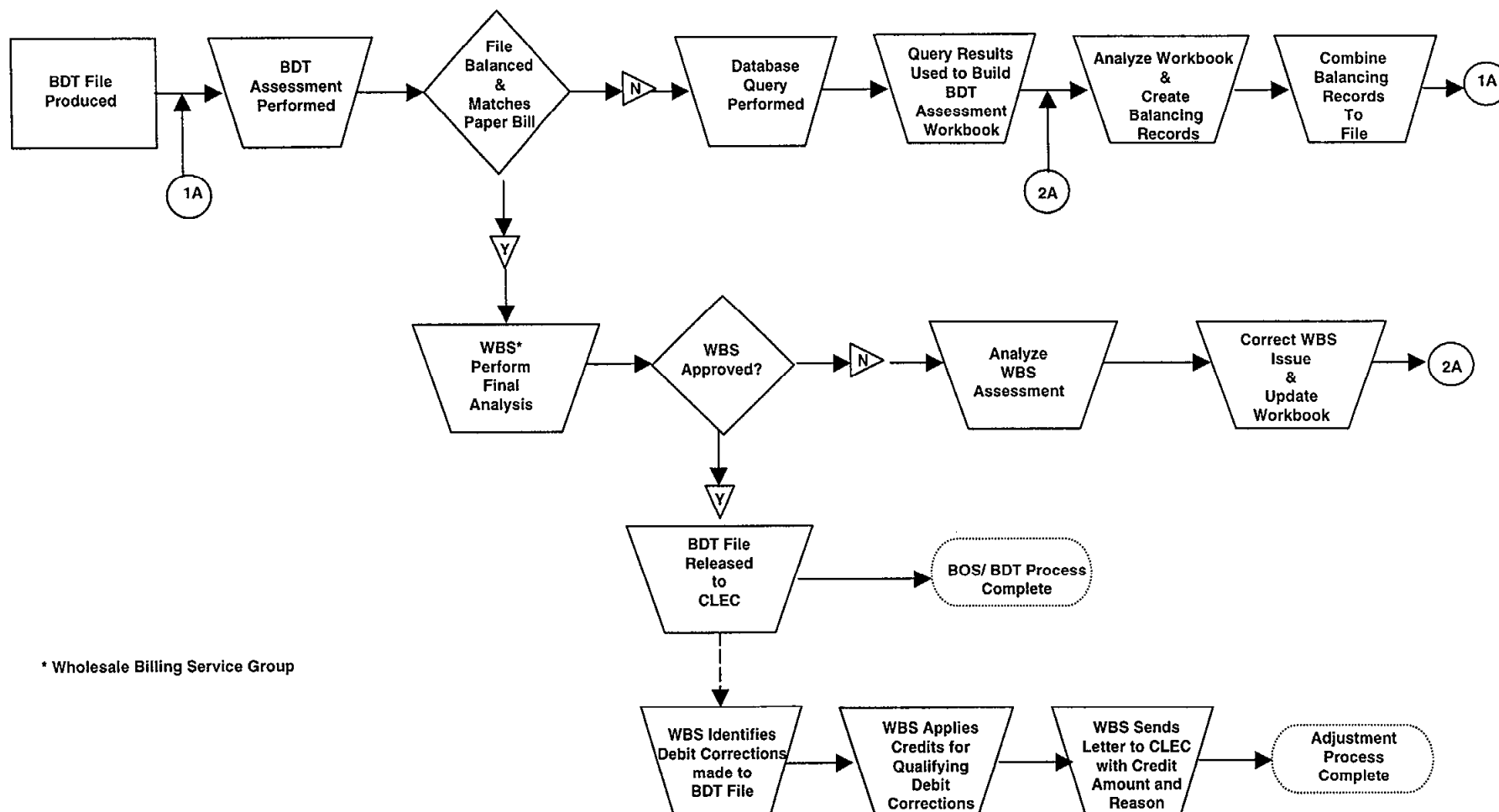
- Within 30 days of the CLEC's bill date, Verizon expects the following to occur:
 - remittance of payment in full to Verizon OR
 - reporting of a claim (confirmed by Verizon) and remittance of non-disputed amounts

- A CLEC may report a claim on a bill subsequent to payment

- If Verizon is delayed in rendering the bill to a CLEC (beyond the 10 business day interval), the time to pay is extended

Pro-active billing adjustments from BOS/BDT review

- Verizon reviews the BOS/BDT balancing records to determine whether billing adjustments are required. If so, Verizon pro-actively processes the billing adjustments, and notifies the CLEC via letter with credit amounts and reasons (Change Control notice on July 18th)



* Wholesale Billing Service Group

Other Billing Issues in CLEC Comments

- In response to both KPMG findings and CLEC Billing claims, Verizon has been diligent in addressing the following Wholesale billing issues as discussed in the OSS Declaration:
 - Directory Advertising Charges / IXC Usage Charges
 - Taxes
 - Independent Bills (a.k.a. Standalone Bills / Orphan Accounts)



Operations Support Systems Overview

June 2001

**Presented by:
Kathleen McLean
Senior Vice-President
OSS Planning & Performance Assurance**



Agenda

- **Functionality & OSS Interfaces**
- **Development Approach,
Change Management and CLEC Support**
- **Production Experience**
- **Third Party Testing**



Functionality & OSS Interfaces



Wholesale Processes and Functions

Wholesale Processes	Pre-Ordering	Ordering	Provisioning	Billing	Maintenance & Repair
Wholesale Functions	<ul style="list-style-type: none"> • Customer Service Record (CSR) • Address Validation • Telephone Number Reservation and Selection • Product and Service Availability • Due Date Availability • Loop Qualification for ISDN • Loop Qualification for xDSL • Directory Listing • Installation Status Inquiry • Service Order Inquiry 	<ul style="list-style-type: none"> • Local Service Request (LSR) or Access Service Request (ASR) • Service Order • Local Service Request Confirmation - (LSRC)/Firm Order Confirmation - FOC) • Reject Notice with an error message if order could not enter SOP 	<ul style="list-style-type: none"> • Status Notices (Provisioning Completions - PCN, Billing Completions - BCN, Jeopardies) • Hotcut coordination • Switch translations for feature activation • Local facility and central office facility assignment • Installation requirements • E911 system updates • Call screening updates 	<ul style="list-style-type: none"> • Provide Wholesale bills via Connect:Direct, on paper, on tape, or on CD-ROM at the CLEC's choice • Provide bills in Bill Data Tape format • Provide daily usage in accordance with EMI format 	<ul style="list-style-type: none"> • Test POTs lines and Special Services • Create Trouble Ticket • Obtain Trouble Status • Modify Trouble Ticket • Cancel Trouble Ticket • Obtain Trouble Ticket History • Trouble Ticket Service Recovery



Verizon OSS Interfaces

Verizon offers two interfaces for pre-order and ordering/provisioning:

- Web GUI - a human to computer interface built using Web technologies and accessed through direct connection or through the Internet
- Electronic Data Interchange (EDI) - an application-to-application interface that enables a CLEC to electronically connect its OSS to Verizon's OSS

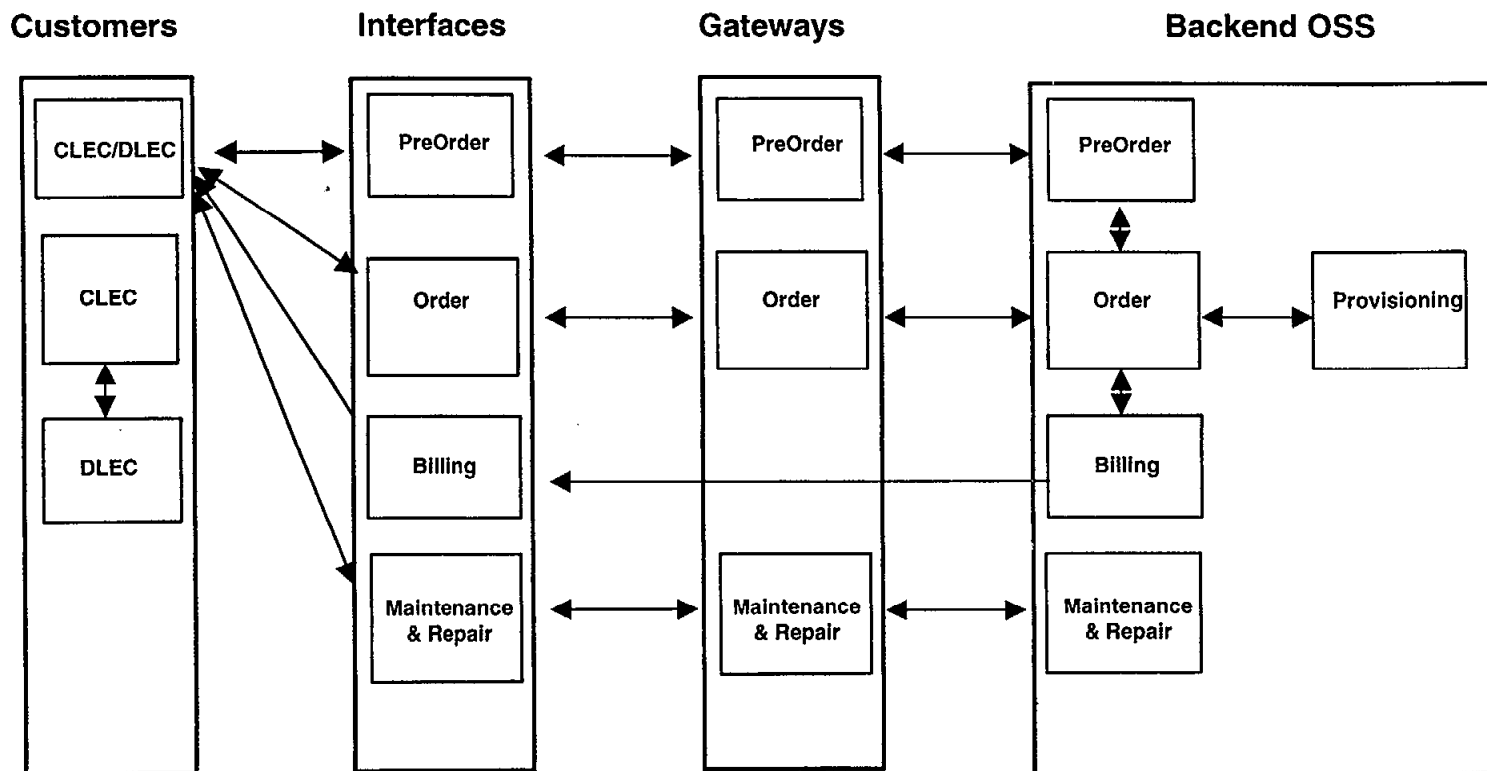
and a third for pre-ordering....

- Common Object Request Broker Architecture (CORBA) - an application-to-application interface that enables a CLEC to electronically connect its OSS to Verizon's OSS
- Verizon offers two interfaces for maintenance and repair:
 - Web GUI - a human to machine interface built using Web technologies and accessed through direct connection or through the Internet
 - Electronic Bonding Interface (EBI) - an application-to-application interface that enables a CLEC to electronically connect its OSS to Verizon's OSS
- Verizon supplies call usage data for billing purposes to CLECs via the Daily Usage File (DUF) available via electronic transfer or magnetic tape
- Verizon offers bills in two formats:
 - Verizon end user format - available on paper, CD-ROM, magnetic tape
 - Billing Output Specification, Bill Data Tape (BOS BDT) - available on magnetic tape or electronic transfer (Connect:Direct)

Verizon's OSS interfaces have been developed consistent with industry standards and guidelines as promulgated by the subcommittees of the Alliance for Telecommunications Industry Solutions (ATIS)



High Level Wholesale OSS System Flow



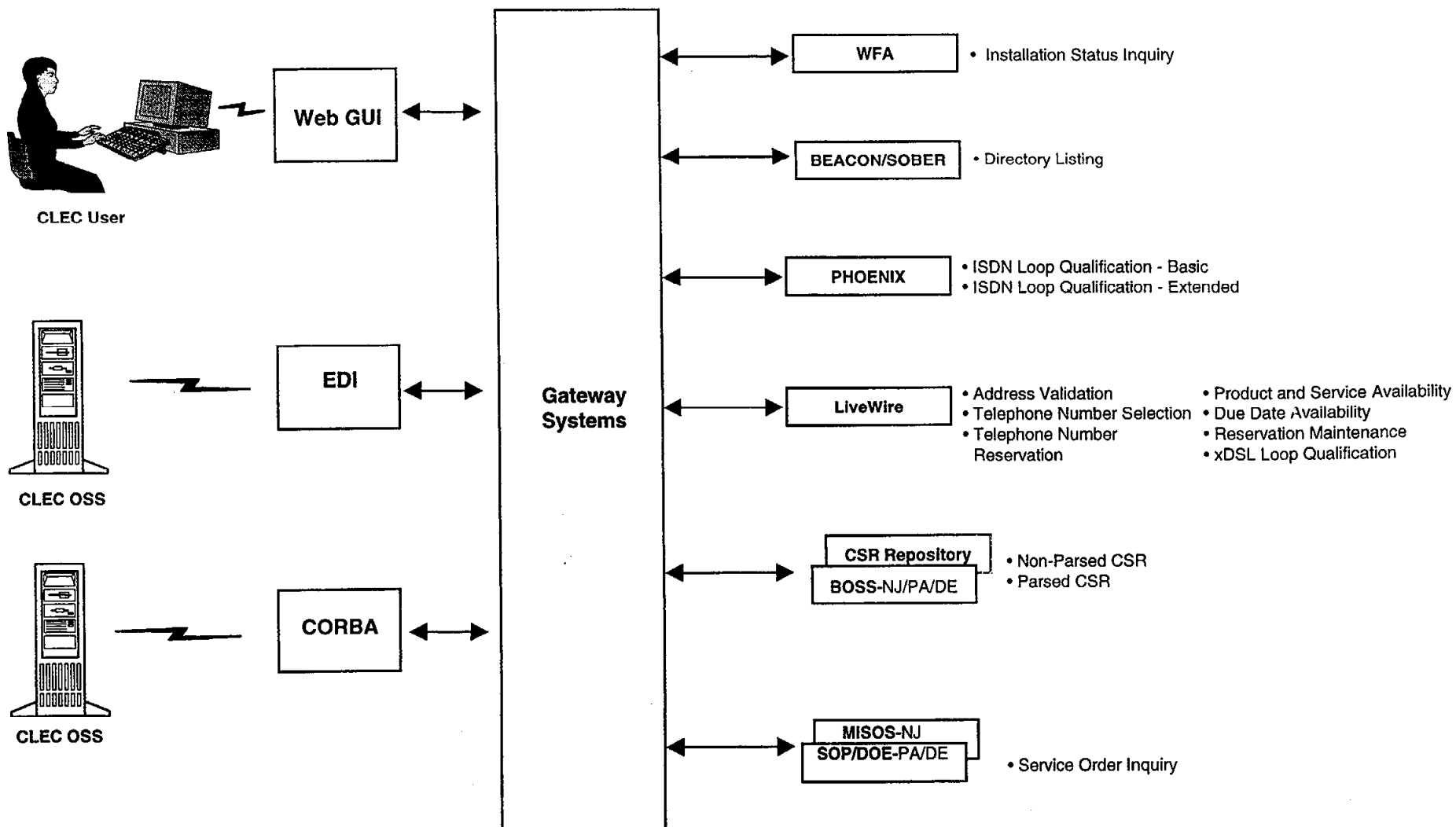
CLEC Support

- Documentation
- Workshops
- Change Management and Notification
- Carrier to Carrier Testing
- WCCC Help Desk
- Training

- **Access end-user Customer Service Records (CSRs) in parsed and unparsed formats.**
CSRs include:
 - **Billing name and address**
 - **Billing and working telephone numbers for the account**
 - **List of all services provided to the end-user**
 - **The end-user's presubscribed interexchange carrier and local (or intraLATA) prescribed interexchange carrier ("PIC" and "LPIC")**
- **Determine the availability of features and functions**
- **Determine local and long distance carriers by NPA/NXX**
- **Reserve and select telephone numbers and verify addresses**
- **View the end-user's existing directory listing**
- **Select due dates**
- **Check whether a loop is qualified for ISDN or xDSL services**
- **After an order has been placed, CLECs can:**
 - **Check the status of the order**
 - **Obtain a copy of the service order as it exists in Verizon's Service Order Processor (SOP)**



Pre-Order Process Flow



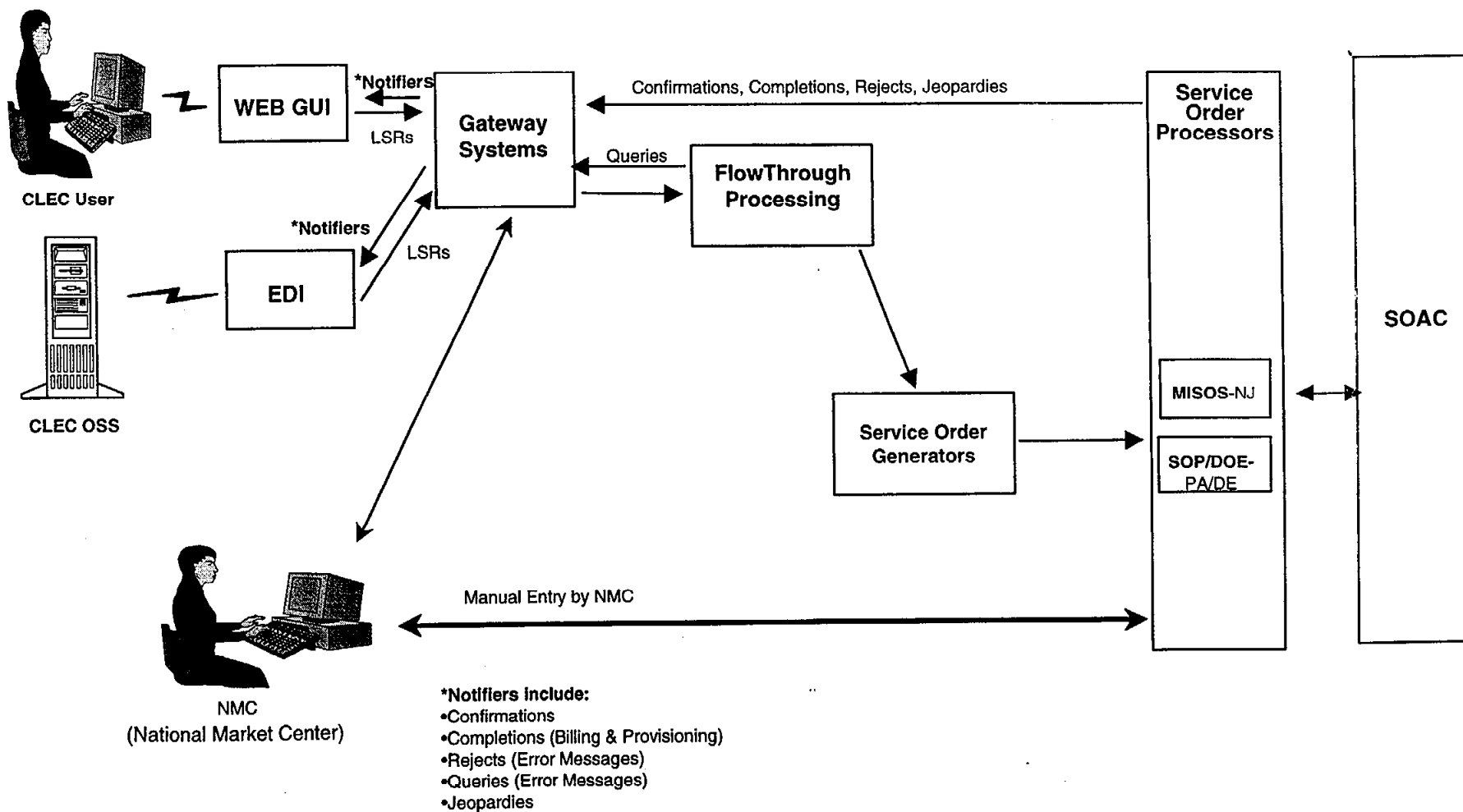


Ordering Process

- **CLECs use Local Service Requests (LSRs) to order Resale, UNE-Platform, and UNEs.**
- **CLECs submit an LSR. Verizon sends acknowledgement of receipt to CLECs.**
- **Verizon validates the LSR.**
 - **If errors are detected, error messages are returned to the CLEC.**
 - **If the LSR passes validation, a Service Order is created.**
- **CLECs receive a Local Service Request Confirmation (LSRC)/Firm Order Confirmation (FOC) to indicate that the order has entered the Service Order Processor (SOP)**



Ordering Process Flow



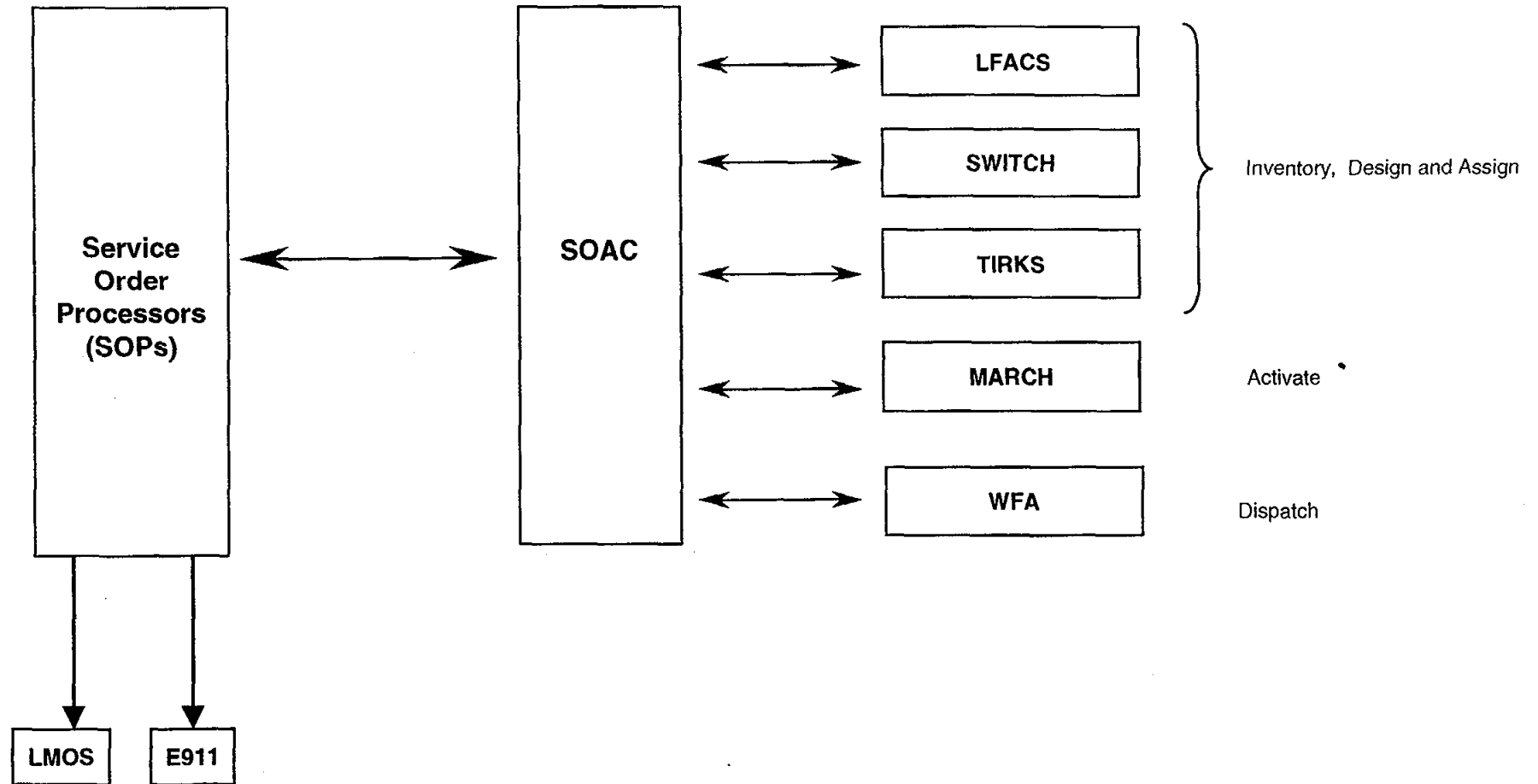


Provisioning Process

- Provisioning is essentially internal to Verizon once an order is submitted
- Systems and processes for most CLEC orders are the the same as those used for Verizon's retail orders
- Provisioning includes:
 - Status Notices
 - Provisioning Completion Notice
 - Billing Completion Notice
 - Jeopardy Notices
 - Specific processes for loop orders for CLECs that have no retail analog
 - Switch translations for feature activation
 - Local facility and central office facility assignment
 - Installation requirements/dispatch
 - E911 system updates
 - Call screening updates
 - Maintenance system updates
 - Billing updates



Provisioning Process Flow



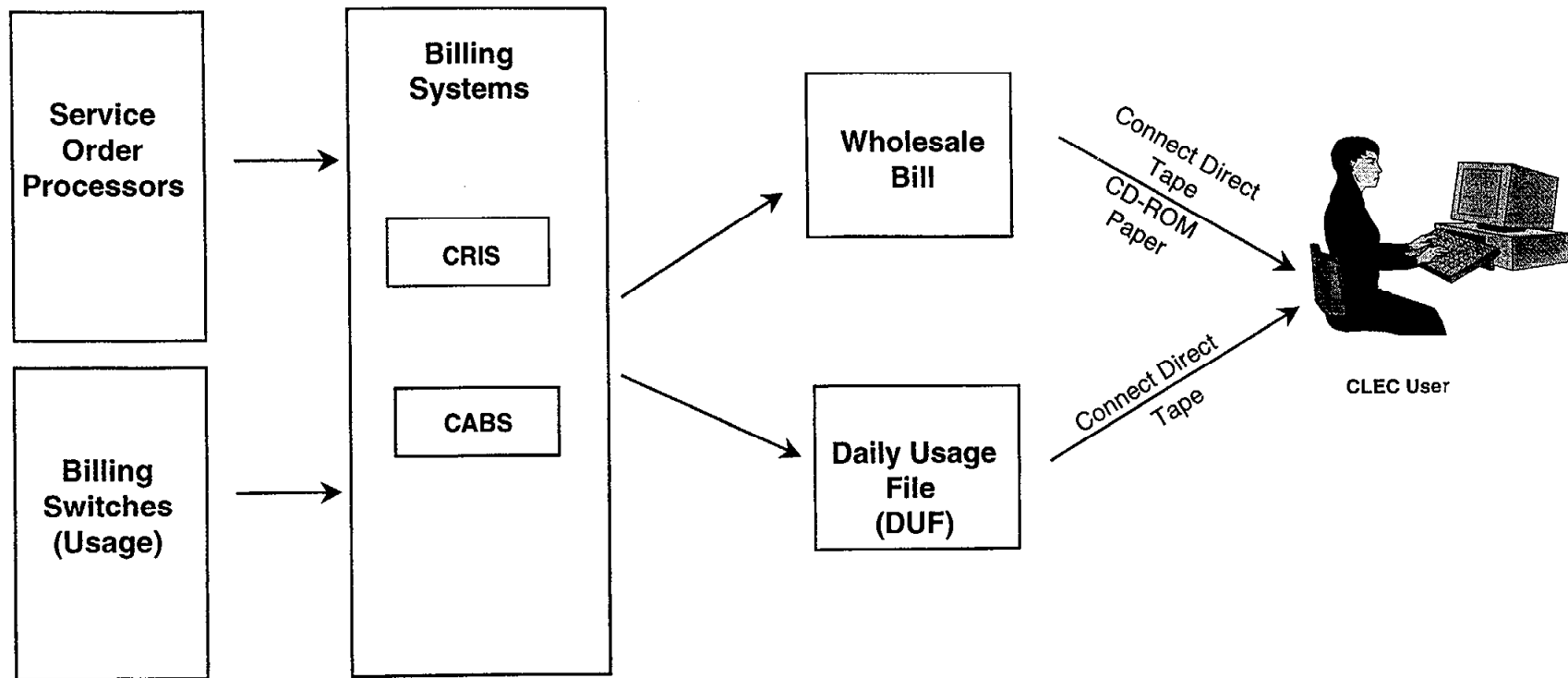


Billing Process

- Billing systems are the same as those used for Verizon's retail and interexchange customers
- Billing includes:
 - Unbundled Network Element (UNE) charges
 - Usage billing information/Daily Usage File (DUF)
 - Recurring charges
 - Non-Recurring charges
 - Service activity related charges/credits
 - Wholesale bill
- CLECs can receive bills via:
 - Connect:Direct
 - Paper
 - Tape
 - CD-ROM



Billing Process Flow



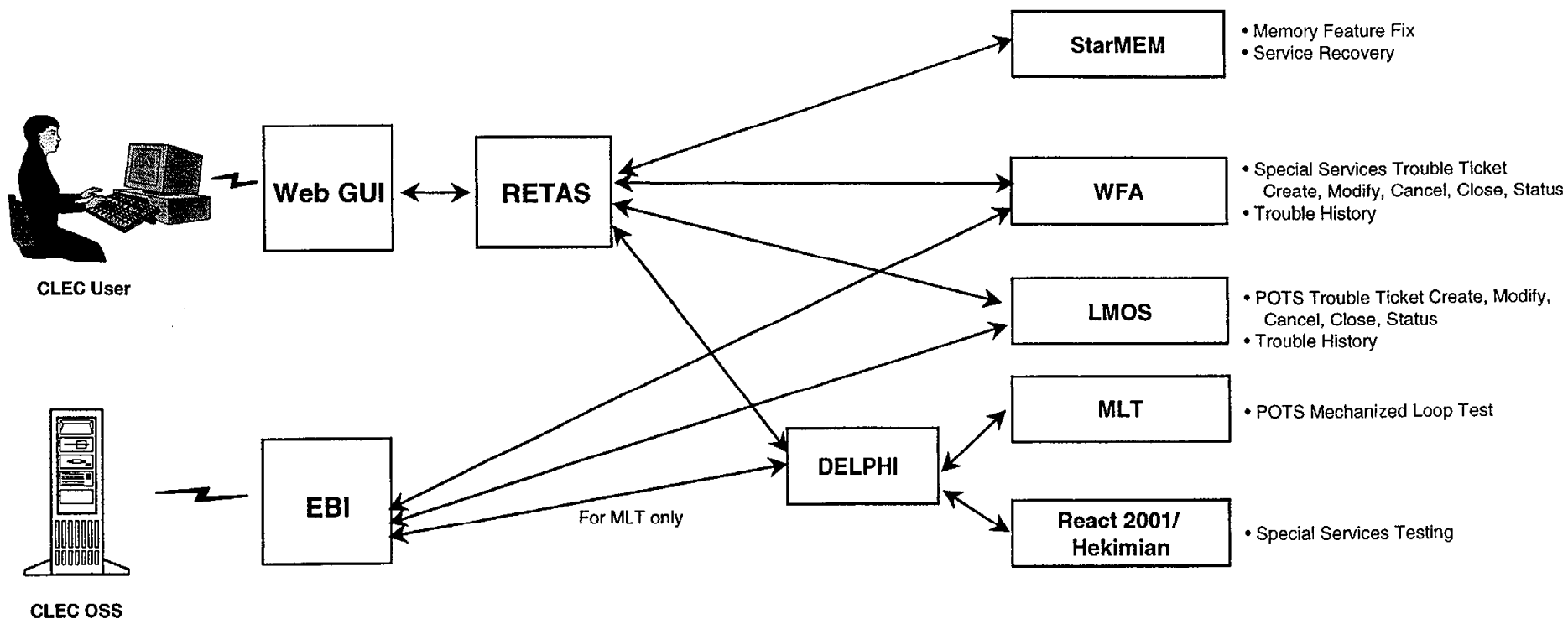


Maintenance & Repair Process

- CLECs can perform the following functions:
 - Test
 - POTS lines
 - Special Services (via Web GUI only)
 - Create Trouble Ticket
 - Obtain Trouble Status
 - Modify Trouble Ticket
 - Request Cancellation of Trouble Ticket
 - Request Trouble Ticket History
 - Trouble Ticket Service Recovery



Maintenance & Repair Process Flow

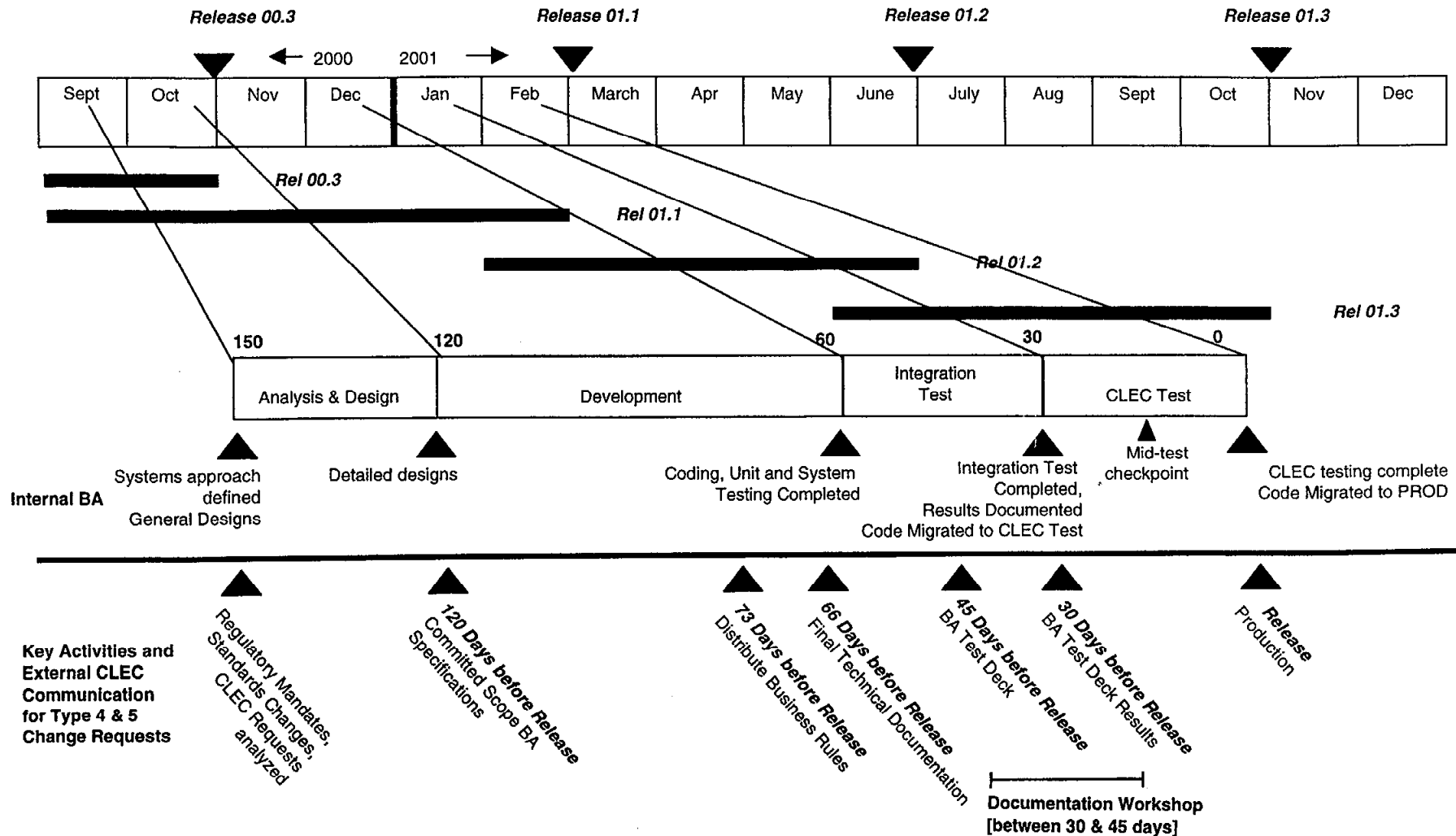




Development Approach, Change Management & CLEC Support



Development Timeline and 2001 Planned Release Schedule





Change Management & CLEC Support

Change Requests (CRs)	Assistance & Documentation	CLEC Test Environment (CTE)	Wholesale Customer Care Center (Help Desk)
<ul style="list-style-type: none"> Receives requests from CLECs for system changes Works with CLECs to define requirements and prioritize systems changes Sponsors workshops on topics such as help desk processes, CLEC-to-CLEC migrations and others Types of Change Requests: <ul style="list-style-type: none"> Type 1-Emergency Maintenance Change Type 2-Regulatory Change Type 3-Industry Standard Change Type 4-Verizon Originated Change Type 5-CLEC Originated Change 	<p>Assistance</p> <ul style="list-style-type: none"> Customer Information Response Team Connectivity Support Industry Issues Management, special projects and topics OSS Support, assistance to small and intermediate CLECs Customer Education, classroom and online training and documentation <p>Documentation</p> <ul style="list-style-type: none"> Pre-Order & Order Business Rules Pre-Order & Order EDI Specifications Combined Pre-Order & Order Documentation (Business rules and EDI specs) Pre-Order CORBA Specifications Combined Pre-Order Documentation (Business Rules and CORBA Specs) Specifications for Access Service Request Web GUI User Guide Order Error Messages Trouble Administration Business Rules E911 PS/ALI Guide Test Deck CLEC Handbook 	<ul style="list-style-type: none"> Provides CLECs with stable environment for application to application pre-ordering and ordering new entrant and new release testing Contains same applications as production, up to and including SOP Contains CLEC and Verizon test data Matches production environment except during CLEC test periods for new releases, when it matches what will be in production following the release Parallels production environment in resolution of problems and issues Supported by Verizon Test Coordinators, Customer Support Team, and Wholesale Customer Care Center (WCCC) CLECs submit test plan six weeks prior to release implementation 	<ul style="list-style-type: none"> Provides a single point of contact for all CLEC reports of systems issues, to provide timely notification to the CLECs of such events, and to ensure that any problems are resolved as quickly as possible Serves CLECs operating throughout the former 14 state Bell Atlantic region Answers incoming calls from CLECs regarding the Verizon Web GUI or the Verizon OSS interfaces to CLEC provided applications Located in Newark, NJ with 49 staff members

Regularly Scheduled Meetings



Production Experience



Production Information

- Verizon provides CLECs with the same OSS interfaces and functionality in Pennsylvania as it does in New York, Massachusetts and throughout the former Bell Atlantic states.
- There is one set of Verizon pre-ordering and ordering interfaces and gateway systems throughout the former Bell Atlantic states. The backend OSS in Pennsylvania are different than New York and Massachusetts.
- In the former Bell Atlantic states, Verizon process approximately 900,000 LSRs each month and over 2.5 million pre-order transactions.

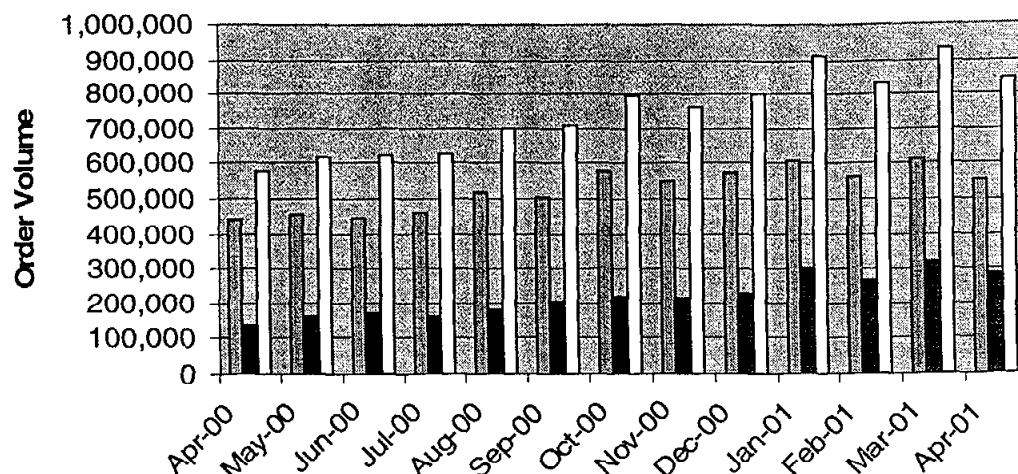
March 2001		
State	Order	Pre-Order
Delaware	3,849	12,918
Maryland	39,926	127,103
New Jersey	44,341	133,685
Pennsylvania	165,439	533,529
Virginia	51,551	162,130
Washington, D.C.	10,349	36,899
West Virginia	4,230	17,575
South Total	319,685	1,023,839
North Total	609,978	1,546,425
VERIZON-EAST	929,663	2,570,264



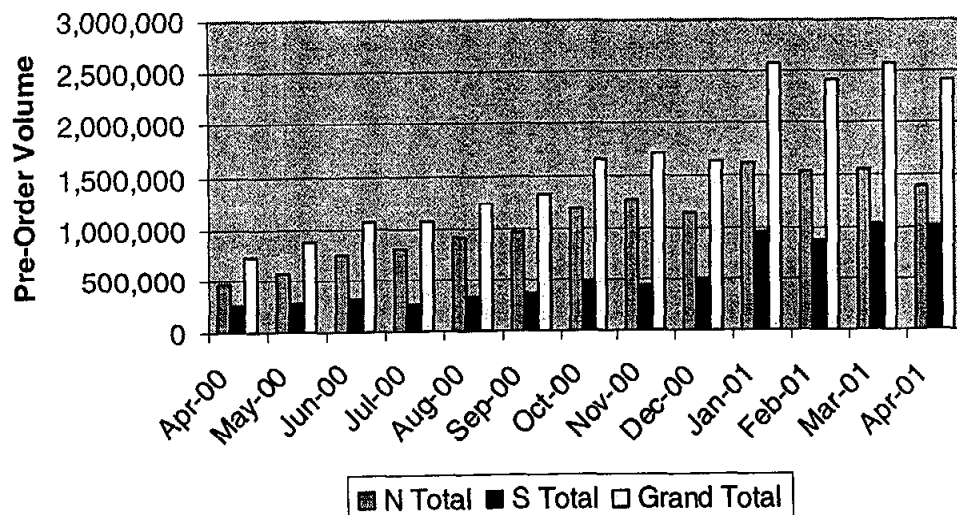
Production Volumes

- Verizon processed nearly 930,000 LSRs across the former Bell Atlantic states in March 2001
- Over 165,000 LSRs were processed in PA in March 2001
- Approximately 65% of LSRs are received via EDI and 35% via Web GUI

Wholesale Orders



Wholesale Pre-Order



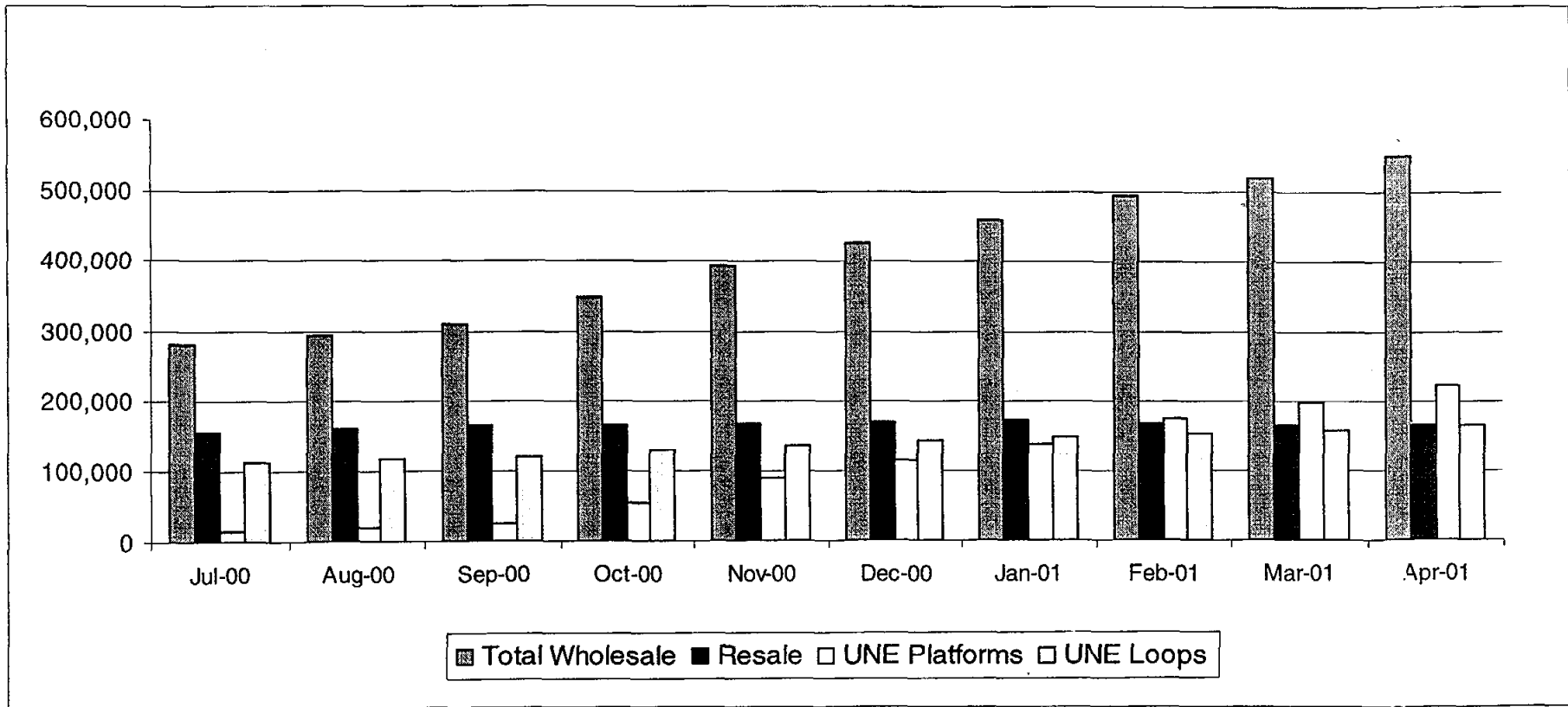
- Pre-Order volume exceeded 2.5 million transactions across the former Bell Atlantic states in March 2001

- In March 2001, approximately 50% of pre-order transactions were via Web GUI, 25% via EDI and 25% via Corba

- In March 2001, approximately 533,000 pre-order transactions were processed for PA



Pennsylvania Wholesale Volumes In-Service





Third Party Testing

- KPMG test of Verizon OSS in Pennsylvania



KPMG Third Party Test Results in Pennsylvania

- **Under the guidance and oversight of the Pennsylvania PUC, KPMG evaluated Verizon's Systems, Interfaces, and Processes that enable CLECs to compete with Verizon for Customers' Local Telephone Service in Pennsylvania**
- **All Stages of the CLEC-ILEC Relationship were considered, including:**
 - **Establishing the Relationship**
 - **Performing Daily Operations**
 - **Maintaining the Relationship**
- **Each of the Service Delivery Methods were included in the test:**
 - **Resale**
 - **Unbundled Network Elements (UNE)**
 - **Unbundled Network Elements-Platform (UNE-P)**
 - **Combinations**



KPMG Third Party Test Results in Pennsylvania

➤ Relationship Management and Infrastructure (RMI)

KPMG evaluated the processes that support establishing and maintaining relationships between Verizon and CLECs including change management, interface development, account establishment, help desks and CLEC training.

KPMG confirmed that Verizon provides nondiscriminatory Relationship Management and Infrastructure support to CLECs.

➤ Pre-Ordering, Ordering, and Provisioning (POP)

KPMG evaluated the systems, processes and other operational elements associated with these activities. KPMG also examined comparable systems supporting retail operations.

Capacity Management

KPMG confirmed Verizon has a satisfactory "Capacity Management" process for wholesale systems, including the pre-ordering interfaces and gateways, to ensure that Verizon's pre-ordering systems continue to handle increasing traffic volumes with acceptable performance.



KPMG Third Party Testing Results

Volume Testing

KPMG tested Verizon's ability to process

- **expected normal volumes**
- **peak volumes (150% of normal volume test)**
- **stress volumes (150% to 250% of normal volume test)**

Together with the commercial volume of orders that Verizon already is handling, KPMG confirmed that Verizon provides nondiscriminatory order processing to CLECs

Methods & Procedures

KPMG evaluated the methods and procedures, processes, and systems used by Verizon to provision both retail and wholesale orders. KPMG found that both the design of the methods, processes and systems, and the actual handling of orders, were nondiscriminatory.



KPMG Third Party Testing Results

➤ Billing (BLG)

KPMG evaluated both billing procedures and actual bills generated, including the following areas:

- Bill Validation**
- Usage Records**
- Bill Delivery Timeliness**

➤ Maintenance & Repair (M&R)

KPMG evaluated Verizon's procedures, documentation and systems for maintenance and trouble administration.

KPMG verified Verizon's ability to provide nondiscriminatory maintenance & repair services to CLECs. KPMG evaluated Verizon's systems, performance, processes, documentation, network surveillance, work center operations and work coordination for the delivery of CLEC maintenance & repair services and found that all were satisfactory.



KPMG Third Party Testing Results

➤ Conclusion

Verizon's interfaces, support systems, and processes have been subject to a thorough and comprehensive third party testing process similar to the third party test of Verizon's systems in New York and Massachusetts.

KPMG examined 585 test points and concluded that Verizon had satisfied over 96% of them. The other test points were addressed by Verizon and evaluated by the Pennsylvania PUC.